

October 2014

# GUIDELINES AND PROPOSAL SOLICITATION PACKAGE



*Drainage Reuse Grant Program*

**FINAL**

Funded by Proposition 204

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## Foreword

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This document contains the California Department of Water Resources' (DWR's) Drainage Reuse Grant Program Guidelines and Proposal Solicitation Package (Guidelines/PSP). The program is funded by Proposition 204 (the Safe, Clean, Reliable Water Supply Act of 1996), which appropriates funds originally approved through Proposition 44 (Water Conservation and Water Quality Bond Law of 1986). The Guidelines/PSP is a standalone document intended to provide the required information for grant applicants. Potential applicants are encouraged to read the entire enclosed document prior to submitting their application.

The application process for this solicitation is a one-step process. This document contains the procedures for submitting applications for grant funding and the detailed scoring criteria. All qualified, interested parties are encouraged to submit a grant proposal.

### Contact

For questions about this document or its contents, please contact the Drainage Reuse Grant Program at (559) 230-3303 or by email at [AqDrainageGrants@water.ca.gov](mailto:AqDrainageGrants@water.ca.gov).

### Website and Mailing List

This document, as well as other pertinent information about the Drainage Reuse Grant Program, can be found at <http://www.water.ca.gov/drainage/grants/drainagereuse>. In addition to the website, DWR will distribute information via email. If you are not already on the Drainage Reuse Grant Program contact list and wish to be placed on it, please send an inquiry e-mail to [AqDrainageGrants@water.ca.gov](mailto:AqDrainageGrants@water.ca.gov).

### Due Date and Application Submittal

A complete application and all supporting documentation must be submitted in hardcopy. Application packages should be received by DWR staff in the South Central Region Office in Fresno, California by **5:00 pm on Tuesday, January 6, 2015**.

A complete application package will include one (1) original complete application marked as "ORIGINAL," four (4) additional copies of the application, and one (1) electronic copy (in MS Word or pdf format) of the original application on a CD or flash drive. Application packages should be submitted to:

California Department of Water Resources  
Integrated Regional Water Management  
South Central Region Office  
3374 E. Shields Avenue  
Fresno, CA 93726  
Attn: Maggie Dutton

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## Acronyms and Abbreviations

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§	Code or regulatory section
AB	Assembly Bill
Act	Safe, Clean, Reliable Water Supply Act
AWMP	Agricultural Water Management Plan
BMP	Best Management Practice
CASGEM	California Statewide Groundwater Elevation Monitoring
CDFA	California Department of Food and Agriculture
CEQA	California Environmental Quality Act
CLC	California Labor Code
CUWCC	California Urban Water Conservation Council
CWC	California Water Code
DWR	Department of Water Resources, State of California
EIF	Environmental Information Form
FY	Fiscal Year
GHG	Greenhouse Gas
GWMP	Groundwater Management Plan
MOU	Memorandum of Understanding
NEPA	National Environmental Policy Act
PRC	California Public Resources Code
PSP	Proposal Solicitation Package
SB	Senate Bill
SBx7-7	Senate Bill x7-7, the Steinberg Water Conservation Act of 2009
SJVDIP	San Joaquin Valley Drainage Implementation Program
SWRCB	State Water Resources Control Board
TRC	Technical Review Committee
UWMP	Urban Water Management Plan
UWMPA	Urban Water Management Planning Act

# DRAINAGE REUSE GRANT PROGRAM GUIDELINES AND PROPOSAL SOLICITATION PACKAGE

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## I. PURPOSE AND USE

This Guidelines and Proposal Solicitation Package (Guidelines/PSP) establishes the process, procedures, and criteria that the Department of Water Resources (DWR) will use to implement the Drainage Reuse Grant Program. The Guidelines/PSP is a combined document that provides both general information of the program and detailed information for proposal solicitation. Included is information about program requirements; eligible applicants and projects; solicitation, submittal, and review of grant applications; and the grant funding award process.

## II. INTRODUCTION AND OVERVIEW

The Drainage Reuse Grant Program is designed to encourage projects that develop methods of using drainage water as well as reducing toxic materials in drainage water through the reuse of water and the use of the remaining salts (California Water Code [CWC] §78645[b]). Of particular importance is the development of on-farm management strategies for drainage reduction, control, reuse, and treatment.

On-farm drainage demonstration projects that include control of salinity, reduction of selenium, and sequential reuse of drainage water on increasingly salt-tolerant plants have been conducted at several sites in the San Joaquin Valley. Investigations at Red Rock Ranch (near the intersection of Interstate Highway 5 and State Highway 145) and Mendota, California have indicated that it is possible to concentrate the salts by reusing drainage water and harvesting the salts in a solar evaporator. However, uncertainty related to cost of construction, operation, long-term technical feasibility, and economic and environmental feasibility still exists in the following areas:

- ✍ Impacts of toxic elements in drainage water on wildlife and the appropriate prevention and mitigation measures.
- ✍ Management practices for irrigation, control of drainage water, and selection and management of salt-tolerant and halophytic plant cultures to ensure long-term sustainability of soil/water/plant systems.
- ✍ Impacts of continuous irrigation with high salinity drainage water on leaching requirements, evapotranspiration, soil permeability, infiltration rates, soil compaction, soil salinity, and other chemical and physical properties of soil/water/plant system.
- ✍ Fate and accumulation of salts, selenium, and other toxic elements within agricultural reuse systems.
- ✍ Cost effective means for harvesting drainage salts that do not harm wildlife and the environment.
- ✍ Market opportunities for salt-tolerant plants, halophytic plants, and trace element accumulating crops.

- ✎ Uses, markets, and technical standards for harvested salt.

Alternatively, over the past several years, considerable progress has been made in the following areas:

- ✎ Investigation, demonstration, and extension of irrigation management methods to reduce deep percolation.
- ✎ Drainage management practices to increase the use of shallow groundwater by salt-tolerant commercial crops.

Many areas have adopted highly efficient irrigation and drainage management practices as a result of programs to develop more efficient irrigation practices, grower response to water shortages during drought conditions, increases in water costs, and changes required by the agreement for operation of the Grassland Bypass. It is presently unclear which areas would receive the greatest benefit from additional improvements in irrigation and drainage management practices, and, accordingly, which practices should be improved.

## **A. Authority**

In 1996, California voters approved Proposition 204, the Safe, Clean, Reliable Water Supply Act (Act). Section 78645 of the Act authorized that any unallocated funds remaining in the Agricultural Drainage Water Account of the 1986 Water Conservation and Water Quality Bond Law (Proposition 44) on November 6, 1996, be transferred to a drainage management sub-account and continuously appropriated, without regard to fiscal years, to the California Department of Food and Agriculture (CDFA). Per §78645(b), CDFA is responsible for implementing programs to develop methods of using drainage water and reducing toxic materials in drainage water, through the reuse of water and the use of the remaining salts. In addition, the legislation identified that priority would be given to source reduction projects and programs.

In September 1997, representatives of the CDFA, DWR, and the State Water Resources Control Board (SWRCB) signed a memorandum of understanding (MOU) to transfer the funds from the drainage management sub-account, as well as the responsibility for implementing the programs required by the legislation, to DWR.

## **B. Intent and Objectives**

The purpose of the Drainage Reuse Grant Program is to fulfill the intent of the 1996 Act by supporting projects and programs that mitigate drainage-related issues. Previous rounds of Proposition 204 funding through the program have given priority to source reduction projects, meeting a key objective of the legislation. Program objectives were developed by analyzing unresolved issues identified by a variety of sources, including the 1998 status report compiled by the San Joaquin Valley Drainage Implementation Program (SJVDIP), various technical committees and staff knowledge, and other reliable documentation that is relevant to the intent of the Act. Based on the available background information and the intent of the Act, the objectives of this program are:



1. Resolve existing uncertainties and demonstrate the technical and economic feasibility, environmental and social acceptability, and cost effectiveness of drainage reuse, toxic constituent reduction, and salt concentration methods currently under development throughout the drainage problem area, as well as other promising technologies for drainage reuse and the harvesting of salt and selenium.
2. Identify areas where improved irrigation and drainage management technologies are cost effective alternatives for controlling agricultural drainage problems; establish implementation priorities; and develop demonstration, incentive, and training activities in areas that will yield the most benefits.
3. Identify, investigate, develop, and implement promising new technologies that will facilitate drainage source reduction through productive use of drainage water and/or its constituents.

### **C. Coordination with Other Agencies**

This program will be managed by DWR under contract with CDFA. DWR is the Responsible Agency for administering the grant program, including soliciting proposals, organizing application reviews, preparing and administering grant agreements, contracting with grantees, monitoring project progress, and program oversight through the terms of the contract. A Technical Review Committee (TRC), comprised of professionals from CDFA, SWRCB, and other stakeholders, will provide technical input to the program and the received proposals.

## **III. ELIGIBILITY REQUIREMENTS**

### **A. Eligible Grant Applicants**

An eligible grant applicant for the Drainage Reuse Grant Program is a local agency, as defined by the CWC §78640(b). As defined in the code, "local agency" or "agency" means any city, county, district, joint powers authority, or other political subdivision of the state involved with water management. As a political subdivision of the state, public universities, including the University of California, are considered to be a local agencies for this grant program.

### **B. General Eligibility Criteria**

Applicants applying for Drainage Reuse Grant Program grants must meet all relevant eligibility criteria in order to be considered for funding. In addition, agencies that are currently managing another grant from DWR must be in compliance with the terms of the grant, including up-to-date progress reports, at the time of award to be eligible to receive funds from this program. General eligibility criteria apply to the following types of applicants and projects:

- ✎ Applicants that are urban water suppliers,
- ✎ Applicants that are agricultural water suppliers,
- ✎ Applicants that are surface water diverters,
- ✎ Projects that directly affect groundwater levels or quality, requiring a Groundwater Management Plan (GWMP), and
- ✎ Projects subject to compliance with the California Statewide Groundwater Elevation Monitoring (CASGEM) Program.

Additional descriptions of the eligibility requirements specific to the applicants or projects are described in Appendix B, Attachment 3, including a checklist to determine applicability of the eligibility criteria. Potential applicants should review the information in Appendix B, Attachment 3 to determine if any specific form(s) or documentation is required to be included in the application package to prove eligibility.

### C. Eligible Project Types

To be eligible for Drainage Reuse Grant Program funding, projects must be designed to contribute to the improvement of drainage management methods and enhance existing knowledge of drainage mitigation opportunities. Eligible projects must yield multiple benefits and address one or more program objectives described in Section II.B. Examples of research and technical studies that meet the intent of the Act are provided below. This list is not exhaustive; other projects can be considered provided they fall into the scope of CWC §78645(b).

<b>Table 1 - Examples of Eligible Projects</b>	
<b>Category</b>	<b>Project Examples</b>
Drainage Reuse	<ol style="list-style-type: none"> <li>1. Reusing drainage water on salt-tolerant and halophytic plants.</li> <li>2. Evaluating the technical and economic feasibility of establishing, operating, and monitoring drainage reduction and reuse systems.</li> <li>3. Developing alternative opportunities to reuse drainage water.</li> </ol>
Source Reduction	<ol style="list-style-type: none"> <li>4. Reducing drainage water and potentially toxic trace elements by source control.</li> <li>5. Reducing deep percolation through irrigation management practices.</li> </ol>
Utilization and Development of Salt-Tolerant Plants	<ol style="list-style-type: none"> <li>6. Identifying suitable salt-tolerant crops and trees.</li> <li>7. Controlling shallow groundwater levels through the use of salt-tolerant plant systems such as biological interceptors and regulating drain flows to encourage uptake of shallow groundwater by salt-tolerant crops.</li> <li>8. Removing selenium and other toxic elements from drainage water and the environment using trace element accumulating/volatilizing salt-tolerant plants and trees.</li> <li>9. Development of new strains of economically-viable salt-tolerant crops for drainage reuse and trace element removal.</li> </ol>
Market Development	<ol style="list-style-type: none"> <li>10. Developing markets for harvested salts from drainage water.</li> <li>11. Developing markets for salt-tolerant, halophytic, and trace element accumulating plant products.</li> </ol>
Drainage Treatment and Salt Separation/Utilization	<ol style="list-style-type: none"> <li>12. Developing sustainable and environmentally acceptable methods to concentrate and harvest salts and potentially toxic elements from drainage water.</li> <li>13. Developing viable desalination technologies for subsurface agricultural drainage water and brackish groundwater underlying drainage-impaired lands.</li> <li>14. Utilizing concentrate from desalination processes for recycling of valuable salts, such as gypsum, sodium sulfate, magnesium, and calcium chlorides, etc.</li> </ol>

### D. Program Priorities

Several projects have been funded and successfully completed in the areas of eligible project examples 1 through 11, in Table 1 above. Additional work is needed in the topics described by examples 12 through 14. Therefore, priority will be given to projects that:

- ✎ Develop sustainable and environmentally acceptable methods to concentrate and harvest salts and potentially toxic elements from drainage water;
- ✎ Develop viable desalination technologies for subsurface agricultural drainage water and brackish groundwater underlying drainage-impaired lands; or
- ✎ Use concentrate from desalination processes for recycling of valuable salts, such as gypsum, sodium sulfate, magnesium, and calcium chlorides, etc.

Pursuant to CWC §10544, preference will also be given to proposals that include regional projects or programs. Regional projects or programs include those that are identified in an integrated regional water management plan that accomplish the regional goals defined by CWC §10537.

Program priorities will be manifested in the scoring criteria for project proposals. The scoring criteria used to evaluate proposals are described in Section IX. Proposals that address the stated program priorities will receive points for being a priority project, whereas proposals that do not meet the priorities will not receive those points.

## **IV. PROGRAM REQUIREMENTS**

These Guidelines/PSP have been updated from previous Drainage Reuse Grant Program (Proposition 204) solicitations. In addition to revised scoring criteria that reflect program priorities, the eligibility and program requirements have been updated to include new legislation and pertinent laws. Applicants should not consider any outdated solicitation materials or guidelines when developing their applications for this grant program.

### **A. General Requirements**

DWR shall develop a new PSP for each funding cycle and will only consider those applications received as part of the solicitation for each funding cycle. Therefore, an applicant will be required to submit a new application for each funding cycle and DWR will not consider applications previously submitted when making its funding decisions (California Public Resources Code [PRC] §75100[a]).

### **B. Conflict of Interest**

All participants are subject to State and federal conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, will result in the application being rejected and any subsequent grant agreement being declared void. Other legal action may also be taken. Before submitting an application, applicants are urged to seek legal counsel regarding conflict of interest requirements. Applicable statutes include, but are not limited to, California Government Code §1090 and California Public Contract Code §10410 and §10411.

### **C. Confidentiality**

Once the proposal has been submitted to DWR, any privacy rights, as well as other confidentiality protections, afforded by law with respect to the proposal application package will be waived.

#### **D. Labor Code Compliance**

Compliance with applicable laws, including California Labor Code (CLC) requirements of prevailing wage provisions, will become an obligation for the grant recipient under the terms of the grant agreement with DWR. The funding recipient will be required to keep informed of, and take all measures necessary to ensure compliance with, applicable CLC requirements including, but not limited to, §1720 et seq. of the CLC regarding public works, limitations on use of volunteer labor (CLC §1720.4), labor compliance programs (CLC §1771.5), and payment of prevailing wages for work done and funded pursuant to these guidelines, including any payments to the Department of Industrial Relations (CLC §1771.3). A grantee's failure to comply with CLC requirements may be considered a breach of the grant agreement. At the State's request, the grantee must promptly submit written evidence of grantee's compliance with the CLC requirements. Please refer to the California Department of Industrial Relations website listed in Appendix A for more information.

#### **E. Compliance with the CEQA and Other Environmental Laws**

Proposition 204 grantees will be required to obtain all necessary permits, licenses, and approvals and will be required to comply with all applicable environmental requirements. Grantees must consider all potential environmental, social, and economic impacts of the proposed project, including mitigation required under the California Environmental Quality Act (CEQA, PRC § 21000 et seq.) and, if applicable, the National Environmental Policy Act (NEPA). The applicant should also consider compliance with all local, county, State, and federal permitting requirements.

For the Drainage Reuse Grant Program, the grantee will serve as the Lead Agency and will have principal responsibility for preparing environmental and permitting documents. As a funding agency, DWR has discretionary approval over project funding, serves as a CEQA Responsible Agency, and independently reviews and approves all CEQA documents. DWR must ensure the adequacy of the CEQA documents before it can approve project funding; therefore, early coordination between the Lead Agency and DWR during the preparation of the CEQA documents will help expedite DWR's review and approval process.

CEQA documentation and the status of CEQA completion are not part of this grant application process, nor are they part of the proposal scoring criteria. Once a project has been selected to receive grant funding through DWR, the grantee will be required to submit an Environmental Information Form (EIF). The EIF requires the grantee to identify the status of the project's CEQA and required permits. In addition, work that is subject to CEQA and environmental permitting shall not proceed until the following actions are performed:

- Grantee submits copies of all applicable environmental permits as indicated on the EIF to DWR;
- CEQA, NEPA (if applicable), and permits are submitted to DWR;
- DWR completes its independent CEQA and overall environmental review as a Responsible Agency; and

- ✎ Grantee receives DWR's written concurrence of the Lead Agency's CEQA certification and DWR verifies that the permit record is complete.

California Code of Regulations, Title 14, Division 6, Chapter 3, §15378 defines a project under CEQA. The applicant must notify DWR if they believe the actions described in the proposal would not be considered a project under CEQA, or that the project might qualify for a CEQA exemption.

For general information about environmental compliance, refer to the website provided in Appendix A. Projects without adequate CEQA compliance will not be eligible for funding.

## F. Greenhouse Gas Compliance

In 2005, California Governor Schwarzenegger's Executive Order S-3-05 committed the State to reduce greenhouse gas (GHG) emissions. One year later, the Governor signed the "Global Warming Solutions Act of 2006" (Assembly Bill [AB] 32), which legally obligates the state to reduce GHG emissions to 1990 levels by 2020. Analysis of GHG emissions was made a requirement in the CEQA Guidelines in December 2009, becoming effective March 18, 2010.

All CEQA documents must analyze potential project-related GHG emissions. As a Responsible Agency, DWR must also evaluate potential GHG emissions for the proposed project before exercising its discretion to give final approval for a grant. Applicants can refer to *Informal Guidance for DWR Grantees: GHG Assessment for CEQA Purposes*, which can be obtained at the link provided in Appendix A. This document provides an overview of how DWR approaches GHG emissions analysis in CEQA documents related to its grant-funded projects. Another GHG document, *Frequently Asked Questions: Addressing Climate Change in IRWM Planning Grant Applications and IRWM Plan Updates*, was developed by DWR for its Integrated Regional Water Management (IRWM) grant program and may be useful to Proposition 204 grant applicants. The document can be accessed at the link provided in Appendix A.

## V. PROPOSAL SOLICITATION

The following sections provide detailed instructions on proposal submittal requirements, information about the selection process, and program schedule.

Complete applications must be received by DWR no later than **5:00 pm on Tuesday, January 6, 2015**. Applications and supporting documentation received after this time will not be reviewed or considered for funding.

### A. Publication of Guidelines/PSP and Solicitation Notice

Publication of the Guidelines/PSP and notices of proposal solicitation are emailed to the Drainage Reuse Grant Program distribution list and are posted on the program website: <http://www.water.ca.gov/drainage/grants/drainagereuse>. If you would like to be placed on the Drainage Reuse Grant Program distribution list, please email your contact information to [AqDrainageGrants@water.ca.gov](mailto:AqDrainageGrants@water.ca.gov).

## **VI. FUNDING**

A total of \$2 million in funding from Proposition 204 is available for Fiscal Year (FY) 2014-2015.

### **A. Maximum Grant Amounts**

The maximum grant amount that will be awarded to an eligible recipient will be limited to \$300,000 per project. Applicants may submit separate applications for additional projects, but each project is limited to a maximum grant amount of \$300,000. These maximum grant amounts are intended to allow the distribution of available funds among multiple eligible projects, when applicable. The project time limit is two (2) years.

### **B. Funding Match/Cost Share Requirements**

No cost share is required. However, grantees are required to provide details of all other costs and funding sources integral to the project that are not covered by grant funding. In addition, grantees are required to show cost share (e.g., federal, local, other funds, or in-kind services) if an awarded project costs more than the grant amount.

### **C. Eligible Costs for Reimbursement**

Only costs incurred during the term of the grant agreement will be eligible for reimbursement. Advance funds cannot be provided.

Eligible project costs may include the reasonable costs of studies, engineering, design, project construction, and other work directly related to the scope of work. Reasonable administrative expenses may be included as project costs and will depend on the complexity of the project preparation, planning, coordination, implementation, and maintenance. Reimbursable administrative expenses are the necessary incidental costs that are directly related to the project including an appropriate pro-rata allocation of overhead and administrative expenses that are regularly assigned to all such projects in accordance with the standard accounting practices of the grantee.

Costs associated with travel are eligible for reimbursement if the travel expenses are reasonable, justifiable, and necessary for successful completion of the project. Allowable reimbursement rates for mileage, lodging, and per diem are limited to the requirements specified by the California Department of Human Resources (<http://www.calhr.ca.gov/employees/pages/travel-reimbursements.aspx>). No travel outside the State of California shall be reimbursed unless prior written authorization is obtained from the State.

Costs that are not eligible for reimbursement include but are not limited to:

- ✎ Costs incurred prior to execution of the funding agreement;
- ✎ Purchase of equipment that is not an integral part of the project;
- ✎ Purchase of water supplies that are not an integral part of the project;
- ✎ Establishing a reserve fund;



- ✎ Replacement of existing funding sources for ongoing programs;
- ✎ Support of existing punitive regulatory agency requirements and/or mandates in response to negligent behavior;
- ✎ Purchase of land in excess of the minimum required acreage necessary to operate as an integral part of the project, as set forth and detailed by engineering and feasibility studies, or land purchased prior to execution of the grant agreement;
- ✎ Payment of principal or interest of existing indebtedness or any interest payments unless the debt is incurred after execution of the grant agreement, the State agrees in writing to the eligibility of the costs for reimbursement before the debt is incurred, and the purposes for which the debt is incurred are otherwise eligible project costs; and
- ✎ Operation and maintenance costs.
- ✎ Preparation or development of proposals or grant applications.
- ✎ Preparation of CEQA or other environmental compliance documentation.

## **VII. APPLICATION INSTRUCTIONS**

A complete application package will include one (1) original complete application marked as "ORIGINAL," four (4) additional copies of the application, and one (1) electronic copy (in MS Word or pdf format) of the original application on a CD or flash drive.

### **A. How to Submit**

Applicants must submit the items stated above as a complete application package. The address for mailing by U.S. mail, overnight courier, or hand delivery of hardcopy application components is as follows:

California Department of Water Resources  
 Division of Integrated Regional Water Management  
 South Central Region Office  
 3374 E. Shields Avenue  
 Fresno, CA 93726  
 Attn: Maggie Dutton

### **B. What to Submit – Required Application Components**

This section presents the required elements of an application for a grant funded by the Drainage Reuse Grant Program. Applicants must submit a complete application by the deadline contained in the schedule, provided in Section XI. Failure to submit any component of an application renders the application incomplete, and it will not be reviewed or considered for funding.

A completed application consists of the items included in Appendix B, including:

- ✎ Attachment 1 – Organizational, Financial, and Legal Information
  - Part I: Application Cover Sheet
  - Part II: Applicant's Representatives
  - Part III: Summary of Project Costs
  - Part IV: Authorizing Resolution

- ↳ Attachment 2 – Project Proposal and Task Breakdown
- ↳ Attachment 3 – Eligibility Documentation

Appendix B contains an application checklist, followed by application Attachments 1, 2, and 3. For reviewing purposes, it is recommended that applicants use the form documents provided (Attachment 1) and the outline provided for project proposals (Attachment 2), though other formats with at least the same information will be considered.

## **VIII. REVIEW**

### **A. Completeness and Eligibility Review**

All applications will undergo eligibility and completeness review for the required items listed in these Guidelines/PSP. If an application is determined to be ineligible or incomplete, the application will not be reviewed or considered for funding. All complete and eligible applications will then be evaluated as described below.

The application will be scored based only on what is contained in the application. DWR does not allow reviewers to add or fill in information in an application during review, regardless of knowledge of the proposal. Reviewers may not request any additional information from the grant applicant nor obtain additional information from other outside sources.

### **B. Technical Evaluation**

All eligible and complete grant applications will undergo a technical evaluation. First, project proposals will be submitted to members of the Technical Review Committee (TRC) for independent reviews. Technical reviewers on the TRC will individually evaluate and score the proposals in accordance with the scoring criteria contained in Section IX. Each proposal will be reviewed by at least two qualified technical reviewers, as well as a senior reviewer. The technical review team will be comprised of representatives from the CDFA, SWRCB, and other stakeholders, including selected representatives of universities, consultants, or stakeholders with knowledge and expertise in agricultural drainage and DWR grant programs. TRC members will disclose potential conflicts of interest in any proposals and will disqualify themselves from commenting on any proposals that represent a conflict of interest.

Following completion of the individual technical reviews, the reviewers will discuss the proposal with a senior reviewer and develop a consensus evaluation and score. After completion of the consensus review, DWR supervisory-level staff will review and finalize evaluations and scores, then develop draft funding recommendations. Following approval of the draft funding recommendations from DWR management, the draft funding recommendations will be posted on DWR's website for public review and comment. Following consideration of public comments, final funding recommendations will be prepared and approved through the appropriate DWR chain-of-command.

## **IX. SCORING CRITERIA**

The primary components of the application, Attachment 1 and Attachment 2, have separate



scoring methods as shown in Table 2. The scoring standards for the required parts of Attachment 1 will be Pass/Fail. A score of “Fail” for any part of Attachment 1 will render the application ineligible for funding. Attachment 2 will be scored based on three criterion defined by DWR staff, outlined in Table 2. Technical reviewers will evaluate the application based on each of the criterion and assign scores according to the Standard Scoring Criteria below unless otherwise noted in the table. Each criterion will be scored on a scale of 0 to 5, with 0 being “low” and 5 being “high.” The score for each criterion will then be multiplied by the weighting factor shown in Table 2. An application’s total score will be the sum of the weighted scores for the proposal elements described in Attachment 2.

The evaluation criterion labeled “Program Priority” will be used to provide additional points for proposals that include projects identified in the Guidelines/PSP as priorities (described in Section III.D). To obtain these points, applicants must clearly state in the project proposal how the project meets one or more program priorities.

#### **A. Standard Scoring Criteria**

- ✎ A score of 5 points will be awarded where the criterion is fully addressed with thorough and well-presented documentation.
- ✎ A score of 4 points will be awarded where the criterion is addressed but is not thoroughly documented.
- ✎ A score of 3 points will be awarded where the criterion is not fully addressed and documentation is incomplete or insufficient.
- ✎ A score of 2 points will be awarded where the criterion is marginally addressed and documentation is incomplete and insufficient.
- ✎ A score of 1 point will be awarded where the criterion is minimally addressed and not documented.
- ✎ A score of 0 points will be awarded where the criterion is not addressed.

#### **B. Tie Breaker Points**

In the event of a tied score, up to two (2) points may be awarded to aid in the distribution of funds at the discretion of DWR staff. Tie-breaker points may be assigned by the supervisory-level reviewers after consensus technical reviews are completed. Tie breaker points can only be used to break a tied score, not to elevate a proposal’s score above other proposals that received a higher initial score.

Tie breaker points will be added to proposal scores based on how much funding the applicant has been awarded from previous Proposition 204 grants in comparison to the tied proposal’s applicant. Applicants that have been awarded the least amount, comparatively, will be awarded the tie breaking point(s). For example, if three proposals receive an equivalent initial proposal score, the proposals will be ranked from least funding previously awarded to most funding previously awarded. The proposal with the least amount of awarded funding would receive 2 tie breaking points, the middle proposal would receive 1 tie breaking point, and the proposal awarded the most amount of previous funding would receive 0 tie breaking points.

If multiple proposals with a tied score have never received funding from a Proposition 204 grant, the tie breaker points will be distributed based on the proposed projects' ability to fill research gaps for the Agricultural Drainage Program. DWR supervisory-level staff will use its discretion when applying tie breaking points based on projects that will provide the most valuable and diverse information to the program.

### **C. Reduced Funding Amounts**

The TRC and supervisory-level reviewers may recommend reducing grant amounts from that requested in order equitably distribute funding and stay within available funding limitations. If grant amounts are reduced from that requested, proposal scores will be a primary factor in determining level of reduction.

**Table 2 - Scoring Criteria and Scoring Standards**

Scoring Criteria	Weighting Factor	Range of Possible Points	Score	Scoring Standards
<b>Attachment 1</b>				
Part I: Application Cover Sheet	None	Pass/Fail	Pass/ Fail	Pass/Fail
Part II: Applicant's Representatives				Pass/Fail
Part III: Summary of Project Costs				Pass/Fail
Part IV: Authorizing Resolution				Pass/Fail
<b>Total Maximum Score</b>	-	Pass	Pass	Pass
<b>Attachment 2</b>				
<b>Program Priority</b> <i>Points are awarded for projects that fulfill a program priority.</i> Does the project address any of the following program priorities? (1) Develop sustainable and environmentally acceptable methods to concentrate and harvest salts and potentially toxic elements from drainage water; (2) Develop viable desalination technologies for subsurface agricultural drainage water and brackish groundwater underlying drainage-impaired lands; or (3) Use concentrate from desalination processes for recycling of valuable salts, such as gypsum, sodium sulfate, magnesium and calcium chlorides, etc. (4) Include regional projects or programs identified in California Water Code §10544. Is sufficient explanation and documentation provided that explains how the project meets a program priority?	2	0-8	0-4	One point will be awarded for each program priority that will be met through the implementation of the proposal.  Program priority points will be granted only if the proposal provides a clear description of how the priority will be met upon implementation of the proposal.

**Table 2 - Scoring Criteria and Scoring Standards**

Scoring Criteria	Weighting Factor	Range of Possible Points	Score	Scoring Standards
<b>Scientific Merit and Feasibility</b> <i>Scoring is based on the level of scientific merit and technical value demonstrated by the proposal, including development of the project's hypothesis, methods, and anticipated outcomes.</i> Are the project goals and objectives clearly described, adequate, and appropriate? Is the proposed approach, procedures, and methodologies innovative, original, clearly described, suitable, and feasible? Are the expected results or outcomes clearly stated, measurable, appropriate, and achievable within project constraints (schedule, budget, project team, etc.)? Does the proposed research fill knowledge gaps that are critical and/or valuable to the development of practices and programs to address the stated problem or issue?	3	0-15	0-5	Standard Scoring Criteria (see Section IX)
<b>Qualifications</b> <i>Scoring is based on the qualifications of the key personnel and cooperators, adequacy of proposed equipment and facilities, and development of an effective project management plan.</i> Are the roles of key personnel and cooperators clearly defined? Do key personnel have sufficient expertise to complete the proposed project? Are there established partnerships with other institutions that enhance qualifications? Has evidence of institutional capacity and competence in the proposed area of work been provided? Will the proposed personnel, facilities, and equipment be adequate to successfully implement the project? Is a clear plan for project management articulated, include the following components? (1) Adequate time allocation for attainment of objectives and delivery of products, (2) Maintenance of partnerships and collaborations, and (3) A strategy to enhance communication, data sharing, and reporting among members of the project team?	1	0-5	0-5	Standard Scoring Criteria (see Section IX)

**Table 2 - Scoring Criteria and Scoring Standards**

Scoring Criteria	Weighting Factor	Range of Possible Points	Score	Scoring Standards
<b>Budget</b> <i>Scoring will be based on whether the project costs are reasonable, well-documented, and consistent with the tasks outlined in the proposal.</i> Is the proposed budget detailed and specific? Does the budget contain an explanation of how the project costs were estimated? Are the detailed project costs reasonable? Are costs consistent with the work items shown in the task breakdown? Are costs supported by appropriate and complete documentation?	1	0-5	5	Budget has detailed cost information, costs are reasonable, documentation of proposed costs and rates is provided, and all the proposal tasks are sufficiently represented by budget categories.
			4	Budget has detailed cost information and costs are considered reasonable, but the supporting documentation for some of the budget categories or project tasks are not fully supported or lack detail.
			3	Budget has detailed cost information, but not all costs appear reasonable or supporting documentation is lacking for a majority of the budget categories or project tasks.
			2	Budget has detailed cost information, but many of the costs cannot be verified as reasonable, or supporting documentation is lacking for a majority of the budget categories or project tasks.
			1	No detailed budget information is provided.
			0	No budget information provided.
<b>Schedule</b> <i>Scoring will be based on the reasonableness of the proposed schedule and completion of the project within the specified project time limit.</i> Is the schedule detailed and specific? Does the schedule adequately document the work items outlined in the task breakdown? Does the schedule demonstrate readiness to implement tasks and deliverables? Readiness should be indicated by the applicant describing that it will be ready to proceed when funding becomes available. Is the project scheduled to be completed within the required 2-year time frame?	1	0-5	5	Schedule is consistent with the project tasks and budget, is reasonable, demonstrates a readiness to begin, and the project is scheduled to be completed within two years.
			4	Schedule is consistent with the project tasks and budget, is reasonable, and is scheduled to be completed within two years, but does not demonstrate a readiness to begin.
			3	Schedule is consistent with the project tasks and budget, is reasonable, but does not demonstrate a readiness to begin and is not scheduled to be completed within two years.
			2	Schedule is inconsistent with some of the project tasks and budget, or some of its components are not reasonable. Readiness to begin construction or implementation will be disregarded.

Table 2 - Scoring Criteria and Scoring Standards				
Scoring Criteria	Weighting Factor	Range of Possible Points	Score	Scoring Standards
			1	Schedule is not consistent with a majority of the project and is clearly not reasonable. Readiness to begin construction or implementation will be disregarded.
			0	A schedule was not included in the application.
<b>Total Maximum Score (Without Tie-Breaker Points)</b>		<b>0 - 38</b>		
<b>Tie-Breaker</b> Up to two (2) points may be awarded to aid in the distribution of funds.	1	0-2	2	These points will only be applied in a situation where applications have a tied score, and will be awarded at the discretion of DWR staff. See Section IX.B for a description of tie-breaker point allocation.

## X. AWARD AND AGREEMENT PROCESS

### A. Funding Awards

Once draft funding recommendations are developed by the TRC and are approved by DWR's Deputy Director, the recommendations will be posted on DWR's website for public review and comment. After consideration of public comments and following approval of the final funding recommendations by DWR's Director, the selected grant recipients will receive a commitment letter officially notifying them of their selection and the grant amount.

### B. Grant Administration and Agreement Procedures

Following the funding commitment, DWR will execute a grant agreement with the grant recipient. Grant agreements are not executed until signed by the authorized representative of the grant recipient and DWR. DWR's concurrence with the Lead Agency's CEQA documents and Notice of Determination is fully discretionary and shall constitute a condition precedent to any work for which it is required. As part of the grant agreement, the grantee will be required to provide information regarding the project for bond accountability reporting purposes. For reference, Appendix C provides grantees with a summary of the minimum materials that will need to be maintained during the life of the grant agreement for State auditing purposes.

## XI. SCHEDULE

The schedule below shows the program timeline from the release of the Draft Guidelines/PSP through awarding of grants. Updates to the events listed in this schedule may occur after the release of the final Guidelines/PSP. Any updates to the schedule will be posted on DWR's website for the Agricultural Drainage Program and may be publicized through e-mail announcements to the mailing list or through news releases.

Table 3 - Schedule	
Milestone or Activity	Date
Draft Guidelines/PSP Released to Public	May 10, 2013
Public Workshops to Comment on Draft Guidelines/PSP	June 11, 2013 (Modesto) June 13, 2013 (Fresno)
Public Comment Period on Draft Guidelines/PSP	May 10, 2013 – June 27, 2013
Final Guidelines/PSP Released to Public	October 2014
<b>Application Submittal Deadline</b>	<b>January 6, 2015</b>
Review of Applications Complete and Draft Funding Recommendations Released	March 2015*
Public Review of Draft Funding Recommendations	March/April 2015*
Final Funding Recommendations Released, Begin Funding Award Process	May 2015*
*Note: Future dates subject to change.	

## APPENDIX A – WEB LINKS

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### DWR

Home Page	<a href="http://www.water.ca.gov/">http://www.water.ca.gov/</a>
Grants And Loan Information	<a href="http://www.water.ca.gov/nav/nav.cfm?loc=t&amp;id=103">http://www.water.ca.gov/nav/nav.cfm?loc=t&amp;id=103</a>
Agricultural Drainage Program	<a href="http://www.water.ca.gov/drainage/">http://www.water.ca.gov/drainage/</a>
Drainage Funding (Proposition 204)	<a href="http://www.water.ca.gov/drainage/grants/drainagereuse">http://www.water.ca.gov/drainage/grants/drainagereuse</a>

### Eligibility Forms and Documentation

CASGEM	<a href="http://www.water.ca.gov/groundwater/casgem/">http://www.water.ca.gov/groundwater/casgem/</a>
Water Use Efficiency	<a href="http://www.water.ca.gov/wateruseefficiency/">http://www.water.ca.gov/wateruseefficiency/</a>
AB1420 & Water Metering Self-Certification Forms	<a href="http://www.water.ca.gov/wateruseefficiency/finance/">http://www.water.ca.gov/wateruseefficiency/finance/</a>
Urban Water Management Review Process	<a href="http://www.owue.water.ca.gov/urbanplan/index.cfm">http://www.owue.water.ca.gov/urbanplan/index.cfm</a>
SBx7-7 Compliance and Agricultural Water Management Plans	<a href="http://www.water.ca.gov/wateruseefficiency/finance/">http://www.water.ca.gov/wateruseefficiency/finance/</a>

### Environmental Compliance

General Environmental Compliance Information	<a href="http://ceres.ca.gov/ceqa">http://ceres.ca.gov/ceqa</a>
CEQA Document Submission	<a href="http://opr.ca.gov/s_ceqadocumentsubmission.php">http://opr.ca.gov/s_ceqadocumentsubmission.php</a>
Informal Guidance For DWR Grantees: GHG Assessment For CEQA Purposes	<a href="http://www.water.ca.gov/climatechange/docs/CEQA_Information_for_Grantees_final_10-17-12.pdf">http://www.water.ca.gov/climatechange/docs/CEQA_Information_for_Grantees_final_10-17-12.pdf</a>
Frequently Asked Questions: Addressing Climate Change in IRWM Planning Grant Applications and IRWM Plan Updates	<a href="http://www.water.ca.gov/climatechange/docs/Final_PlanningGrants_FAQs_May2011.pdf">http://www.water.ca.gov/climatechange/docs/Final_PlanningGrants_FAQs_May2011.pdf</a>
Environmental Information Form	<a href="http://www.water.ca.gov/floodsafe/fessro/docs/special_environmental.pdf">http://www.water.ca.gov/floodsafe/fessro/docs/special_environmental.pdf</a>

### Other Information

California Department Of Industrial Relations	<a href="http://www.dir.ca.gov/">http://www.dir.ca.gov/</a>
Bond Accountability	<a href="http://bondaccountability.ca.gov">http://bondaccountability.ca.gov</a>



## APPENDIX B – GRANT APPLICATION PACKET

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<b>Grant Application Checklist</b> <i>The following information is required to be submitted in proposal applications.</i>	
	<b>ATTACHMENT 1</b> <i>Organizational, Financial, and Legal Information</i>
<input type="checkbox"/>	Part I: Application Cover Sheet
<input type="checkbox"/>	Part II: Applicant's Representatives
<input type="checkbox"/>	Part III: Summary of Project Costs
<input type="checkbox"/>	Part IV: Authorizing Resolution
	<b>ATTACHMENT 2</b> <i>Project Proposal and Task Breakdown</i>
<input type="checkbox"/>	Project Proposal
	<b>ATTACHMENT 3</b> <i>Eligibility Requirements</i>
<input type="checkbox"/>	Eligibility Checklist
<input type="checkbox"/>	Required Documentation (if applicable)

## Attachment 1, Part I – Application Cover Sheet

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Application for a grant under § 78645 of the Safe, Clean, Reliable Water Supply Act of 1996

The \_\_\_\_\_  
(Exact legal name of local entity applying for the grant)

Of \_\_\_\_\_  
(Mailing address of local entity)

Of the County of \_\_\_\_\_, State of California, does hereby apply to the  
California Department of Water Resources for a grant in the amount of \$\_\_\_\_\_.

For the following project under the Drainage Reuse Grant Program of the Safe, Clean,  
Reliable Water Supply Act of 1996:

\_\_\_\_\_  
(Specify project title)

By \_\_\_\_\_ Date \_\_\_\_\_  
(Signature of authorized representative)

\_\_\_\_\_  
(Print or type name of authorized representative) (Title)

Telephone (\_\_\_\_\_) \_\_\_\_\_ E-mail \_\_\_\_\_

### **Brief Proposal Description:**

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## Attachment 1, Part II – Applicant's Representatives

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**Project Name**\_\_\_\_\_

### **Primary Project Contact**

Name\_\_\_\_\_ Title\_\_\_\_\_

Address\_\_\_\_\_

Telephone (\_\_\_\_\_)\_\_\_\_\_ FAX (\_\_\_\_\_)\_\_\_\_\_

E-mail\_\_\_\_\_

### **Alternate Project Contact**

Name\_\_\_\_\_ Title\_\_\_\_\_

Address\_\_\_\_\_

Telephone (\_\_\_\_\_)\_\_\_\_\_ FAX (\_\_\_\_\_)\_\_\_\_\_

E-mail\_\_\_\_\_

### **Alternate Project Contact (If Applicable)**

Name\_\_\_\_\_ Title\_\_\_\_\_

Address\_\_\_\_\_

Telephone (\_\_\_\_\_)\_\_\_\_\_ FAX (\_\_\_\_\_)\_\_\_\_\_

E-mail\_\_\_\_\_

Type of Organization:\_\_\_\_\_  
(city, county, water district, university, etc.)

Attach a copy of the applicant's charter and the names and titles of its officers.

## Attachment I, Part III – Summary of Project Costs

Provide a summary of the financing information about the proposed project, including cost share (if applicable).

		<u>% of Total Cost</u>
Total Cost of Project:	\$ _____	
Amount Requested (CWC §78645):	\$ _____	_____
Amount of Cost Share <sup>(1)</sup> :	\$ _____	_____
Amount of Federal Contribution:	\$ _____	_____
In-kind Contributions:	\$ _____	_____
Amount to Funded by Others Sources: (Describe below in table.)	\$ _____	_____

Sources of funds from partner agencies for this project, if applicable:

Amount	Name of Source	Status of Funds <sup>(2)</sup>
\$		
\$		
\$		
\$		
\$		
Total: \$		

Additional explanation, if necessary:

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### **Notes:**

1. No cost share is required; however, grantees are required to show cost share (e.g., federal, local, or other funds) if an awarded project costs more than the grant amount.
2. Identify the current status of funds: available, planned/budgeted, awarded or pending.

## Attachment I, Part IV – Authorizing Resolution

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Include a resolution adopted by the applicant's governing body authorizing the application for a grant under this program and designating a representative to sign the application. Note that the authorized representative may not be a consultant or subcontractor. If the resolution cannot be signed by the authorized applicant prior to the application due date, indicate in the proposal document when a signed resolution will be received by DWR. Following is a suggested format.

Resolution No. \_\_\_\_\_

Resolved by the \_\_\_\_\_  
(Governing body, city council, or other)

of the \_\_\_\_\_  
(Name of applicant)

that pursuant to all of the terms and provisions of the Safe, Clean, Reliable Water Supply Act of 1996, application by this

\_\_\_\_\_ be made to the California Department of  
(“Agency,” “city,” “county,” or other)

Water Resources to obtain a grant for \_\_\_\_\_  
(Project title)

The \_\_\_\_\_ of the  
(Presiding officer, president, city manager, or other official)

\_\_\_\_\_ is hereby authorized and directed to  
(“Agency,” “city,” “county,” or other)

prepare the necessary data, make investigations, sign, and file such application with the California Department of Water Resources.

*Passed and adopted* at a regular meeting of the \_\_\_\_\_  
(Board of Directors, Supervisors, etc.)

of the \_\_\_\_\_  
(Name of applicant)

on \_\_\_\_\_  
(Date)

## Attachment 2 – Project Proposal and Task Breakdown

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Applicants are required to submit a project proposal with a detailed task breakdown to complete the Drainage Reuse Grant Program grant application. The proposal should provide detailed description, discussion, and documentation for each of the proposal sections listed below. The proposal should describe the tasks that will be undertaken to implement the project and include a budget and schedule that support and are consistent with the identified tasks.

The level of detail must be sufficient to allow reviewers to understand the level of effort of the work being performed and to relate the proposed work to the budget so that the cost estimates can be substantiated. Page limits and character limits are not specified. The applicant should determine the level of detail required to convey how the proposed project meets the objectives and requirements outlined in the Guidelines/PSP.

The project proposal must include the following items, with at least as much detail as specified in the descriptions below.

### ***1. Title of Project***

Provide the title of the project. The title must be descriptive of the technologies proposed and provide an idea of what the project is meant to achieve.

### ***2. Principal Investigator/Cooperator(s) and Project Management***

Provide the name, contact information, and description of qualifications of the following persons associated with the project. Roles of key personnel must be clearly defined. Key personnel associated with the project must have sufficient expertise to complete the project, and evidence of competence in the proposed area of work must be provided.

- ✎ Project Director: Responsible for executing the grant agreement and any amendments and approving invoices for the applicant. Persons that are subcontractors to be paid with the grant funds cannot be listed as the Project Director.
- ✎ Project Manager: Day-to-day contact from the applicant, agency, or organization.
- ✎ Principal Investigator(s): Person(s) performing the majority of the research associated with this project.
- ✎ Other Cooperators: Cooperating individuals and agencies, including consultants, who will be participating in the implementation of the project.

Information for other key personnel associated with the project may also be provided, if applicable. Qualifications may be enhanced through partnerships with other institutions; these relationships with other institutions should be clearly defined and described.

Discussion and evidence of institutional capacity to successfully complete the project should be provided in this section. The discussion should show that proposed personnel, facilities, and equipment is adequate for successfully completing the project.

Based on the key personnel described in this section, proposals should include a clear plan for project management that includes the following components:

- ✎ Adequate time allocation for attainment of objectives and delivery of products.
- ✎ Maintenance of partnerships and collaborations.
- ✎ A strategy to enhance communication, data sharing, and reporting among members of the project team.

Discussion of the project management plan may reference other areas of the proposal as needed. The development of the project management plan should consider the qualifications of key personnel and should incorporate how involved personnel will achieve the project management components above.

### ***3. Scope of Work and Project Description***

Provide a scope of work that briefly summarizes the project activities and tasks that will be implemented to achieve proposed outcomes.

Provide a project description that explains the work to be performed and an overview of deliverables for assessing progress and accomplishments. A complete project description should be concise and include the following information:

- ✎ A brief explanation of the goals and objectives, or purpose and need, for the project.
- ✎ Description of the components of the project that will be funded by DWR.
- ✎ If the project constitutes a phase of a larger, multi-phase project, include a discussion of how the phase of work supported by DWR funds can operate or be functional without implementation of other phases of work.
- ✎ A description of existing contracts, Memorandums of Understanding, Joint Powers Authorities, or other formal agreements with project partners, if applicable.
- ✎ A description of the project location including overlying jurisdiction (city, county, State, or federal land), assessor parcel numbers, property addresses, and the latitude/longitude of the project site. It is suggested to include a project map that shows the project's geographical location and the boundaries of the work.

### ***4. Project Objectives and Program Priorities***

Project goals and objectives should be clearly described, adequately developed, and appropriate to help achieve the stated program objectives. When possible, quantifiable objectives should be proposed. Objectives may be presented in a tabular or bulleted format to aid in the review and presentation of the information.

The proposal should identify if the proposed project meets any of the stated program priorities and to what extent they are met. Describe and provide sufficient documentation to support how the project meets one or more of the program priorities stated in the Guidelines/PSP.

The proposed research should fill knowledge gaps that are critical and/or valuable to the development of practices and programs to address identified drainage issues. The proposal

should include a discussion about how the proposed project will help fill these knowledge gaps and to what extent the research will increase the understanding of the identified problems.

### **5. Task Breakdown**

The task breakdown should contain descriptions of all of the tasks necessary to complete the proposed project. The descriptions must contain enough detail to sufficiently explain all the work necessary to complete each task, to demonstrate that the tasks are ready for implementation, to prove that there is a high expectation of successful implementation, and to show that the tasks are consistent with the project schedule and budget. Project tasks may be broken into subtasks for additional clarification of the project components. The task breakdown shall include, at a minimum, the following elements:

- ✎ Description of the tasks and subtasks required to complete the project.
- ✎ Current status of each task.
- ✎ Identification of the budget and costs associated with each task. Proposed costs should be detailed and specific and should be reasonable for the proposed work. The narrative accompanying the task budgets should describe how the costs were developed and should include appropriate and complete documentation of proposed costs and billing rates.
- ✎ Schedule for implementing each task, including the start and end date for each task. Potential foreseeable interruptions to the schedule should be identified.
- ✎ Development of performance measures for appropriate tasks.
- ✎ The expected results and outcomes of the project based on the proposed tasks. The expected outcomes should be clearly stated, measurable, appropriate, and achievable within the project constraints.
- ✎ Summary of deliverables and reporting tasks, including quarterly progress reports, invoices, a final report, and a post-completion report.

### **6. Materials, Methods, and Scientific Merit**

The proposed approach, procedures, and methods used should be innovative for the research field, original ideas, clearly defined, suitable for the proposed research, and feasible to accomplish within the project constraints (budget, schedule, project team, etc.). Equipment and materials for the proposed project should be identified and described. Obvious alternatives to the proposed equipment and materials must be addressed and justification of chosen materials provided where necessary. The proposal may include a brief description of supporting studies, data, and resources for the project to ensure implementation of the proposal is based on sound scientific and technical principles.

### **7. Schedule**

Provide a schedule for implementation of the project showing the sequence of tasks and timing. The schedule should be detailed and specific. The schedule must show the start and end dates as well as milestones for each task and should be formatted in a horizontal bar or Gantt chart. The schedule should also illustrate dependencies on preceding tasks by showing appropriate linkages. The schedule must be consistent with the task breakdown and the budget. Time



required for compliance with CEQA, NEPA, and other environmental laws should be included in the schedule. An assumed end date of the grant agreement will not be established by DWR, instead applicants must include a reasonable estimate of the end date, based on their project, including time for any final reports and invoicing. Dates for the submission of quarterly progress reports, a final report, and post-completion report should be included. Assume a realistic start date for your proposed project no sooner than June 2015, and anticipate a maximum 2-year performance period. The schedule must indicate readiness to start the project when funding becomes available.

## **8. Budget**

The budget should include a narrative and a tabular summary of project costs. This section of the proposal should serve as a budget summary section, while the task breakdown should include detailed explanation of the task item costs and documentation of costs and billing rates.

The tabular cost estimate should be organized by task breakdown and should indicate a funding source for the costs attributed to each task. Subtasks and their relative costs should also be included, if applicable. Consistency with the work items shown in the task breakdown should be apparent. The funding source breakdown included in the budget table should indicate costs from the following types of sources: grant amount requested, cost share (if applicable), federal contribution, in-kind contributions, and other contributions. A column indicating total project cost should also be included.

The grantee will present the budget summary tables in a way that best conveys the project costs. The narrative that accompanies the budget tables should provide an overview of the budget and a description of any significant components of the budget that require explanation.

## **9. Deliverables**

Mandatory grant reporting tasks include the submittal of quarterly progress reports, invoices, a final report, and a post-completion report. Other additional deliverables may be applicable to the project, including technical studies, technical memorandums, and other documents useful for reporting the progress of the project. Provide a discussion of proposed project deliverables, proposed timelines for the deliverables (the schedule may be referenced), and other deliverables if appropriate to the project.

## Attachment 3 – Eligibility Requirements

Certain applicants and project types require submittal of eligibility documentation. The Eligibility Checklist below may be used as a tool to help determine whether an applicant or a project requires completion and submittal of eligibility documentation. **If documentation is required to prove eligibility for any of the items listed, the documentation must be provided in the grant application.** Some documentation may require explanation or a narrative so as to provide sufficient information for DWR staff to determine if eligibility is met. If the criterion applies to the grant applicant, grant applicants should include a narrative for each of the eligibility requirements below. If DWR determines that the applicant does not have the authority to enter into a grant agreement with the State, the applicant will not be eligible for funding and the application will not be reviewed.

Eligibility Checklist		
Applicable?		Eligibility Criteria
Yes	No	
<b>Local Agency Certification</b>		
<input type="checkbox"/>	<input type="checkbox"/>	<p><u>1) Local Agency:</u> The applicant must provide a written statement (and additional information if noted) containing the appropriate information outlined below:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Is the applicant a local agency as defined in CA Water Code §78640(b)?</li> <li><input type="checkbox"/> What is the statutory or other legal authority under which the applicant was formed and is authorized to operate?</li> <li><input type="checkbox"/> Does the applicant have legal authority to enter into a grant agreement with the State of California?</li> <li><input type="checkbox"/> Describe any legal agreements among partner agencies and/or organizations that ensure performance of the proposal and tracking of funds.</li> </ul>
<input type="checkbox"/>	<input type="checkbox"/>	<p><u>2) Basin Plan:</u> Is each project consistent with a Regional Water Quality Control Plan (Basin Plan)?</p>
<b>Urban Water Suppliers</b>		
<input type="checkbox"/>	<input type="checkbox"/>	<p><u>3) Urban Water Suppliers:</u> List the urban water suppliers that will receive funding from the proposed grant. Please provide the agency name, a contact phone number and an e-mail address. Those listed must submit self-certification of compliance with CWC §525 <i>et seq.</i> and AB 1420 (links to appropriate forms in Appendix A).</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><u>4) Urban Water Suppliers:</u> Have all of the urban water suppliers listed in #3 above submitted complete Urban Water Management Plans (UWMPs) to DWR? Have those plans been verified as complete by DWR? If not, explain and provide the anticipated date for having a complete UWMP.</p>
<b>Groundwater Projects/Users</b>		
<input type="checkbox"/>	<input type="checkbox"/>	<p><u>5) Groundwater Projects:</u> Does the proposal include any groundwater projects or other projects that directly affect groundwater levels or quality? If so, provide the name(s) of the project(s) and list the agency(ies) that will implement the project(s).</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><u>6) Groundwater Projects:</u> For the agency(ies) listed in #5 above, how has the agency complied with CWC §10753 regarding Groundwater Management Plans (GWMPs)?</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><u>7) Groundwater Users:</u> List the groundwater users that will receive funding from the proposed grant. Please provide the agency/organization name, a contact phone number, and an e-mail address. If there are none, please indicate so and skip to #9.</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><u>8) Groundwater Users:</u> Have all of the groundwater users, listed in #7 above met the requirements of DWR's CASGEM Program? <a href="http://www.water.ca.gov/groundwater/casgem/">http://www.water.ca.gov/groundwater/casgem/</a> If not, explain and provide the anticipated date for meeting the requirements.</p>

<b><i>Agricultural Water Suppliers</i></b>		
<input type="checkbox"/>	<input type="checkbox"/>	9) <u>Agricultural Water Suppliers</u> : List the agricultural water suppliers that will receive funding from the proposed grant. Please provide the agency/organization name, a contact phone number and e-mail address. If there are none, please indicate so and go to #11.
<input type="checkbox"/>	<input type="checkbox"/>	10) <u>Agricultural Water Suppliers</u> : Have all of the agricultural water suppliers, listed in #9 above, submitted complete Agricultural Water Management Plans (AWMPs) to DWR? Have those plans been verified as complete by DWR? If the plans have not been submitted, please indicate the anticipated submittal date.
<b><i>Surface Water Diverters</i></b>		
<input type="checkbox"/>	<input type="checkbox"/>	11) <u>Surface Water Diverters</u> : List the surface water diverters that will receive funding from the proposed grant. Please provide the agency/organization name, a contact phone number, and an e-mail address. If there are none, please indicate so.
<input type="checkbox"/>	<input type="checkbox"/>	12) <u>Surface Water Diverters</u> : Have all of the surface water diverters, listed in #11 above, submitted surface water diversion reports to the State Water Resources Control Board in compliance with requirements outlined in Part 5.1 (commencing with §5100) of Division 2 of the CWC? If not, explain and provide the anticipated date for meeting the requirements.

The following text provides additional explanation of some of the eligibility requirements listed in the checklist.

### ***All Applicants***

- ✚ **Local Agency.** An eligible grant applicant must be a local agency, as defined by the CA Water Code §78640(b). As defined in the code, "local agency" or "agency" means any city, county, district, joint powers authority, or other political subdivision of the state involved with water management. As a political subdivision of the state, public universities, including the University of California, are considered to be a local agencies for this grant program.
- ✚ **Consistency with Regional Water Quality Control Plan (Basin Plan).** Projects should be consistent with the area Basin Plan. This means that all projects must not contradict the goals and intentions of the Basin Plan, and must support the beneficial uses of water prescribed in the plan.

### ***Urban Water Suppliers***

- ✚ **Urban Water Management Planning Act (UWMPA) Compliance.** Water suppliers who were required by the UWMPA (CWC §10610 et seq.) to submit an Urban Water Management Plan (UWMP) to DWR must have submitted a complete UWMP to be eligible for State funding. Applicants and project proponents that are urban water suppliers and have projects that would receive funding through the Drainage Reuse Grant Program must have a 2010 UWMP that has been verified as complete by DWR before a grant agreement will be executed.
- ✚ **Best Management Practice (BMP) Compliance.** Assembly Bill (AB) 1420 (Stats. 2007, Ch. 628) conditions the receipt of a water management grant or loan by urban water suppliers upon the implementation of water demand management measures described in CWC §10631. DWR has determined that implementation of the California Urban Water Conservation Council (CUWCC) BMPs will fulfill the requirements of AB 1420. An urban water supplier may be eligible for a water management grant or loan if the urban water supplier demonstrates that BMPs have been implemented or scheduled, or are in the process of being implemented or scheduled. Urban water suppliers applying to use grant funds for implementation of BMPs must ensure they have submitted all the necessary information. Therefore, urban water suppliers who are applicants or project

proponents in a grant application must supply additional information via a self-certification form. A link to the self-certification form is provided in Appendix A. ***The self-certification form must be signed and submitted with the grant application to be eligible for funding.***

- ✚ **Water Meter Compliance.** CWC §529.5 requires any urban water supplier applying for State grant funds for wastewater treatment projects, water use efficiency projects, drinking water treatment projects, or for a permit for a new or expanded water supply, shall demonstrate that they meet the water meter requirements in CWC §525 et seq. Water meter requirements apply to State Water Project contractors, Central Valley Project contractors, local, community, and private water suppliers. Grant applicants must complete a self-certification form to certify that water meter compliance requirements are met. A link to the self-certification form is provided in Appendix A. ***The self-certification form must be signed and submitted with the grant application to be eligible for funding.***

### ***Groundwater Projects Requiring Monitoring or Groundwater Users***

- ✚ **California Statewide Groundwater Elevation Monitoring (CASGEM) Compliance.** CWC §10920 et seq. establishes a groundwater monitoring program designed to monitor and report groundwater elevations in all or part of a basin or subbasin. Information on the requirements of the CASGEM Program can be found here: <http://www.water.ca.gov/groundwater/casgem/>. The CASGEM requirements also limit counties' and various entities' (CWC §10927.(a)-(d), inclusive) ability to receive State grants or loans in the event that DWR is required to perform groundwater elevation monitoring functions pursuant to CWC §10933.5. Applicants and project proponents that are groundwater users must meet the reporting requirements of DWR's CASGEM program.
- ✚ **Groundwater Management Plan (GWMP) Compliance.** For groundwater projects or for other projects that directly affect groundwater levels or quality, ***the applicant or the project proponent responsible for such projects must self-certify*** that either:
  - They have prepared and implemented a GWMP in compliance with CWC §10753.7;
  - They participate or consent to be subject to a GWMP, basin-wide management plan, or other IRWM program or plan that meets the requirements of CWC §10753.7(a);
  - The proposal includes development of a GWMP that meets the requirements of CWC §10753.7 and will be completed within one year of the grant application submittal date; or
  - They conform to the requirements of an adjudication of water rights in the subject groundwater basin.

### ***Agricultural Water Suppliers***

- ✚ **Agricultural Water Management Plan (AWMP) Compliance.** Beginning July 1, 2013, an agricultural water supplier is not eligible for a water grant or loan awarded or administered by the State unless the supplier complies with Senate Bill (SB) x7-7 water conservation requirements outlined in CWC Division 6 Part 2.55 (commencing with §10608). Applicants and project proponents that are agricultural water suppliers must prepare and adopt an AWMP and comply with submission requirements. Specific requirements for Agricultural Water Management Planning are described in CWC Division 6 Part 2.8 (§10800). A link to the compliance requirements of SBx7-7 is provided in Appendix A.

## ***Surface Water Diverters***

- ↳ **Surface Water Diversion Reporting Compliance.** Beginning January 1, 2012, a diverter of surface water is not eligible for a water grant or loan awarded or administered by the State unless it complies with surface water diversion reporting requirements outlined in CWC Division 2 Part 5.1 (commencing with §5100). Applicants and project proponents that are surface water diverters must submit surface water diversion reports to the State Water Resources Control Board (SWRCB); SWRCB is the responsible entity for tracking the diversion reporting requirement. DWR will confer with SWRCB to determine eligibility of applicants for this provision; *no additional material applicants is needed for approval.*

## **APPENDIX C – RECORDS RETENTION GUIDELINES FOR GRANTEES**

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The lists below provide details on the documents/records that State auditors would need to review in the event that a funding agreement is audited. Grantees and borrowers should ensure that such records are maintained for each funded project. Where applicable, this list of documents also includes documents relating to the grantee's funding match that will be required for audit purposes.

### **State Audit Document Requirements**

#### **Internal Controls**

1. Organization chart (e.g. agency's overall organization chart and organization chart for the grant or loan funded program/project)
2. Written internal procedures and flowcharts for the following:
  - a. Receipts and deposits
  - b. Disbursements
  - c. State reimbursement requests
  - d. Grant or loan expenditure tracking
  - e. Guidelines, policies, and procedures on grant or loan-funded program/project
3. Audit reports of the agency's internal control structure and/or financial statements for the last two years
4. Prior audit reports on grant or loan-funded program/project

#### **Grants or Loans**

1. Original grant or loan agreement, amendment(s), and budget modification documents
2. A listing of all bond-funded grants or loans received from the State
3. A listing of all other funding sources for each program/project

#### **Contracts**

1. All subcontractor and consultant contracts and related or partners' documents, if applicable
2. Contracts between the agency and member agencies as related to the grant or loan funded program/project

#### **Invoices**

1. Invoices from vendors and subcontractors for expenditures submitted to the State for payments under the grant or loan
2. Documentation linking subcontractor invoices to State reimbursement, requests and related grant or loan budget line items
3. Reimbursement requests submitted to the State for the grant or loan

#### **Cash Documents**

1. Receipts (copies of warrants) showing payments received from the State

2. Deposit slips (or bank statements) showing deposit of the payments received from the State
3. Cancelled checks or disbursement documents showing payments made to vendors, subcontractors, consultants, and/or agents under the grants or loans
4. Bank statements showing the deposit of the receipts

### **Accounting Records**

1. Ledgers showing entries for or loan receipts and cash disbursements
2. Ledgers showing receipts and cash disbursement entries of other funding sources
3. Bridging documents that tie the general ledger to requests for grant or loan reimbursement

### **Administration Costs**

1. Supporting documents showing the calculation of administration costs

### **Personnel**

1. List of all contractors and agency staff that worked on the grant or loan-funded program/project
2. Payroll records including timesheets for contractor staff and the agency personnel who provided services charged to the program

### **Project Files**

1. All supporting documentation maintained in the project files
2. All grant or loan-related correspondence

### **Funding Match Guidelines**

Funding match (often referred to as Cost Share) consists of non-State funds including in-kind services. In-kind services are defined as work performed or items contributed (i.e., dollar value of non-cash contributions) by the funding recipient (and potentially other parties involved) directly related to the execution of the scope of work (examples: volunteer services, equipment use, and facilities). The cost of in-kind services can be counted as funding match in-lieu of actual funds (or revenue) provided by the funding recipient. Other funding match and in-kind service eligibility conditions may apply. Guidelines are provided below for documenting funding matches with and without in-kind services.

1. Although tracked separately, in-kind services shall be documented and, to the extent feasible, supported by the same methods used by the funding recipient for its own employees. Such documentation should include the following:
  - a. Detailed descriptions of the contributed item(s) or service(s)
  - b. Purpose for which the contribution was made (tied to Funding Agreement Work Plan)
  - c. Name of contributing organization and date of contribution

- d. Real or approximate value of contribution. Who valued the contribution and how the value was determined? (e.g., actual, appraisal, fair market value, etc.). Justification of rate. (See item #2, below)
  - e. For contributed labor, the person's name, the work performed, the number of hours contributed, and the pay rate applied
  - f. If multiple sources exist, these should be summarized on a table with summed charges
  - g. Source of contribution and whether it was provided by, obtained with, or supported by government funds
- 2. Rates for volunteer or in-kind services shall be consistent with those paid for similar work in the funding recipient's organization. For example, volunteer service of clearing vegetation performed by an attorney shall be valued at a fair market value for this service, not the rate for professional legal services. In those instances in which the required skills are not found in the recipient's organization, rates shall be consistent with those paid for similar work in the labor market. Paid fringe benefits that are reasonable, allowable, and allocable may be included in the valuation.
  - 3. Funding match contribution (including in-kind services) shall be for costs and services directly attributed to activities included in the Funding Agreement Work Plan. These services, furnished by professional and technical personnel, consultants, and other skilled and unskilled labor, may be counted as in-kind if the activities are an integral and necessary part of the State-funded program/project under the Funding Agreement.
  - 4. Cash contributions made to a program/project shall be documented as revenue and in-kind services as expenditure. These costs should be tracked separately in the funding recipient's accounting systems.